

# THE ROLE OF INVESTMENT LICENSING IN BALI ECOTOURISM (CSR CHANNELING)

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## ABSTRACT

*The important position of tourism for the Balinese economy shows the central position of culture as Bali's economic resource. However, national policies and local government policies in Bali have not yet defined culture as an economic resource. This situation results in the utilization of even the potential for cultural exploitation, including space as a cultural container. How is the authority for the regulation and implementation of CSR for investing in sustainable ecotourism development in Bali? The Authority of the arrangement and implementation of CSR that invests in sustainable ecotourism development is coordinated by the Regent and Mayor.*

**Keywords:** Investment, Development, Sustainable, Ecotourism, CSR.

## INTRODUCTION

Bali is the only region that drives its economy with culture. Culture is the main driving force of the Balinese economy (Supanca, 2006). Culture drives tourism and tourism drives other economic sectors, such as agriculture, fisheries, plantations, handicraft industries, finance, transportation, trade, and other economic sectors. Bali's Gross Regional Income Scheme (GRDP) shows that 31.27% of GRDP comes from the tourism services sector (Bali Provincial Government, 2009).

The important position of tourism for the Balinese economy shows the central position of culture as Bali's economic resource. However, national policies and local government policies in Bali, both provincial and district / city, have not yet defined culture as an economic resource (Putra, 2011). This situation results in the utilization of even the potential for cultural exploitation, including space as a cultural container. Culture as an economic resource is a factor of production that determines the production process of goods and services.

The sustainability of Bali's tourism is the hope of all those who benefit from tourism: Mowforth and Munt, (2008) the government (central and regional), capital owners and entrepreneurs, domestic and foreign, who directly provide services and those who indirectly benefit, and the community, both indigenous peoples and non-indigenous people. Even though all parties understand the importance of the environment as a location for investment and tourism sustainability, not all investors, as well as the government (central and regional) behave according to environmental requirements (Wood, 2002). Investors as owners of capital often choose locations that contradict environmental requirements that threaten the sustainability of

investments, likewise the government still often issues investment permits for locations that do not meet environmental and sustainability insight requirements. There are at least three conditions that must be met for the determination of the site (site) or a certain space for the location of commercial activities, including investment, namely: Characteristics of space, carrying capacity of space, and the tolerance and adaptability of the space to impact (Richardson et al., 2013).

Bali's tourism economic growth is heavily dependent on the role of investment, especially foreign investment. Tourism investment in Bali shows two natural advantages, namely Gurtner (2016) first, driving economic activity in the location of its investment space; and second, to move other sectors outside the investment space (multiplier effect). Therefore, the anticipatory policy on the impact of foreign investment is not enough to be directed only to the first side of the investment, namely to the investment space, but also to other sectors outside the investment space.

Tourism investment in Bali in utilizing space and the environment is characterized by various forms of violations of spatial use that take place widely in several areas, especially Badung, Gianyar, Singaraja, Tabanan, Klungkung, and Karangasem, in the form of violations of the radius of the abyss, gaps, beaches, rivers, and lake (Teo, 2002). Tourism investment in the region of South Badung, especially the construction of hotels that bring about the result of a large number of workers and tourists which causes heavy traffic, even causing congestion on certain roads, which gives bad effects to the public and tourists. Dense vehicle traffic that has the potential to cause noise pollution and air pollution that endanger public health. The density of buildings in South Badung causes a heavy space burden that has the potential to disrupt and endanger the sustainability of spatial function and living confusion (Howe, 2006). The depiction of adverse effects due to tourism investment in the Bali region shows the problem of the sustainability of the function of space and the environment (sustainability problem). The problem of sustainability if it continues continuously and is not stopped can potentially disrupt, obstruct, and even eliminate tourism investment. The problem of sustainability endangers, disrupts, and damages the function of space and the environment. The problem of sustainability needs to be stopped immediately and find a legal solution. This research is looking for legal solutions and problems of sustainability.

The issues in this research are how is the investment licensing arrangement for sustainable ecotourism development in Indonesia? And how is the authority for the regulation and implementation of corporate social responsibility investing in sustainable ecotourism development in Bali this type of research is normative legal research using the statutory approach, conceptual approach and the substance norm approach (Hutchinson and Duncan, 2012). Sources of legal materials used are primary legal materials in the form of legislation, secondary legal materials in the form of books, and tertiary legal materials in the form of legal dictionaries and encyclopedias. The method of gathering legal material is by using a card system consisting of a summary card, a quote card and a comment card. Legal material analysis is performed using induction analysis and deduction analysis and the results of the analysis are described in the form of research reports.

## RESULT AND DISCUSSION

### The Investment Licensing Arrangement for Sustainable Ecotourism Development in Indonesia

Investment is needed by the Government in carrying out a business activity that requires capital in the management of natural resources (SDA) and its human resources (HR) to obtain maximum results in order to improve the national economy. The investment is obtained from investors who invest their capital. Investment in the development of the world economy at this time has become one of the alternatives by the government to solve capital difficulties in implementing national development. Investment also functions specifically foreign investment to obtain capital, technology, skills or abilities possessed by investors to manage economic potentials (economic resources) which require large investments, sophisticated technology, skills and professional capabilities that have not yet been fully fulfilled by national private parties and the government itself (Ilmar, 2007).

Investment will provide maximum benefits if the supporting factors that hinder the investment climate can be minimized or overcome. Factors that have the potential to support and attract investors to make investments include coordination between central and regional government agencies, short and efficient bureaucracy, legal certainty, state security, highly competitive economic costs, and a conducive business climate in the field of employment. and business security, as well as social and cultural issues in an open society.

Law Number 25 of 2007 concerning Investment does not distinguish between domestic investors and foreign investors. The law regulates foreign investment and domestic investment and there is no separation of investment arrangements specifically, as in the previous investment law distinguished between the Foreign Investment Law and the Domestic Investment Law (Hartini, 2009).

Law Number 25 of 2007 concerning Investment in Article 1 number 1 states that investment is any form of investment, whether carried out by domestic or foreign investors to do business in the territory of the Republic of Indonesia.

Foreign investment licensing arrangements including licensing to utilize space for sustainable tourism investment based on legislation including Law Number 25 of 2007 concerning Investment. Investment licensing regulation is an instrument to control investment in utilizing space and the environment as an investment location, including investment in sustainable tourism. Utilization of investment locations by investors should prevent, minimize so that the use of investment locations does not damage the function of space and the environment in order to maintain environmental sustainability based on sustainable principles and environmentally sound (Siahaan, 2004).

Sustainable and environmentally sound investment arrangements are not regulated in detail, firmly, and clearly in the Investment Law. The Investment Law only regulates investment growth but does not regulate investment risk, including the risk of sustainable tourism investment. The regulation of tourism investment licensing is guided by the Basic Investment Policy regulated in Article 4 which in principle determines: The government has the authority to

determine the basic investment policy to achieve the goal: to encourage the creation of a conducive national business climate for investment to strengthen the competitiveness of the national economy and accelerate and increase or what is known as capital accumulation. The government in setting basic investment policies is committed Tandelilin, (2010) giving equal treatment to domestic investors and foreign investors while still paying attention to and prioritizing national interests, ensuring legal certainty, business certainty, and security for investors to carry out their business from the licensing process up to the end of investment activities in accordance with statutory provisions and open opportunities for strengthening and empowerment for development and provide protection to micro, small, medium and cooperative businesses. The basic investment policy is implemented or realized in the form of a General Investment Plan.

Sustainable national economic development that takes into account ecological or environmental aspects, because sustainable economic development will be carried out on a healthy, orderly, orderly, and sustainable environment that meets good environmental requirements. Damage to the function of space and the environment can potentially disrupt, inhibit, and even stop the sustainable development.

The Government, Regional Government, and all people who live in the Unitary State of the Republic of Indonesia jointly have the duty, role and responsibility to maintain, protect, secure and preserve the environment in all of Indonesia's blood spills in order to create national economic development sustainable. Sustainable national economic development has the potential to create sustainable community welfare, both for present and future generations (Siburian and Haba, 2016)

The meaning contained in the Arrangement as regulated in Article 4 shows the liberalization of investment including foreign investment in Indonesia because the government requires the acceleration of foreign investment, providing opportunities and convenience for investors in the use of strategic space for investment locations including tourism investment. Investment liberalization, acceleration and ease have the potential to provide maximum profits (profit) and accelerate return on investment, even though the space should not be used for tourism investment sites or violate environmental regulations and spatial planning, which ultimately led to the destruction of space and the environment.

The Government and Regional Governments in controlling foreign investment by using spatial and environmental arrangements, as instruments for controlling foreign investment in utilizing space and the environment for the location of their investments are required to obtain investment permits (Ilmar and Hum, 2010). Investment licensing is one of the legal instruments to control tourism investment in utilizing space and the environment for investment locations. The Government and Regional Governments in issuing/granting permits for foreign investment are guided by statutory regulations; it should also pay attention to aspects of religion, culture, social, and human rights.

Regulations on the Form of Business Entities and Position of Investors are regulated in Article 5 which in principle determines: Domestic investors can conduct their business in the form of business entities that are legal entities, not legal entities or businesses owned by individuals, in accordance with statutory provisions. Foreign investors in conducting their

business are required to form limited liability companies based on the laws of the Republic of Indonesia and domiciled within the territory of the Republic of Indonesia, unless otherwise stipulated by law. Domestic investors and foreign investors who make investments where the business entity in the form of limited liability is conducted in various ways, namely: (1). Be a shareholder at the time of formation or establishment of a limited liability company; (2). Buy shares of the company in other shareholders; (3). using other legal methods in accordance with the provisions as regulated in statutory regulations. Based on investment licensing arrangements, the form of business for foreign investment in Indonesia takes the form of a Limited Liability Company, a company known as a Foreign Investment Limited Liability Company (PT.PMA). Foreign Investment Limited Company (PT.PMA) Wibawa (2007) there are 100% foreign investors or some shareholders owned by foreign investors. The principles underlying the provisions of Article 5 include: the principle of legal certainty, the principle of openness, and the principle of equal treatment/nondiscrimination principle, which is the elaboration of philosophical welfare, the philosophy of economic democracy, and the philosophy of protecting the entire Nation and the whole Indonesian Blood Spill. Philosophy protect the entire nation and all of Indonesia's spilled blood not to be stated clearly, decisively, and in detail in and not to mention as a basis for weighing in the Investment Law.

Regulations on Company Validation and Licensing are regulated in Article 25 which in principle determines: Investors investing in Indonesia are required and must comply with the provisions of Article 5 of the Investment Law, Ratification of the establishment of business entities of domestic investors in the form of legal entities or not incorporated entities carried out based on the provisions stipulated in the legislation. Ratification of the establishment of a business entity from a foreign investor in the form of a limited liability company (PT.PMA) is carried out based on the provisions of the legislation, the company of the investor who will carry out its business activities must obtain a permit as determined in the statutory regulations of the agency that has the authority to do so, unless otherwise specified in law. All investment permits are obtained through a one-stop integrated service.

Limited Liability Companies whose shareholders are foreign investors or known as PT.PMA in conducting their business in Indonesia are required to obtain investment permits in accordance with their business fields, including sustainable tourism investment requires licensing obtained through a one-stop integrated service at the Investment Coordinating Board (BKPM).

Investment licensing arrangements, especially investment licensing in utilizing space and the environment for investment locations, Di-Benedetto (2013) can be used as an instrument to control investment. Investment licensing to utilize space and the environment can also be used as a bargaining position by the Government or Regional Government to foreign investors. Investment control, including sustainable tourism investment, cannot be relied entirely on the Investment Law, but with the help of the application of other correlative laws relating to the implementation of investment in utilizing space and the environment as investment locations.

Spatial arrangement as an investment control instrument is also regulated in Article 15 letter d and letter e which in principle determines: every investor is obliged to respect the cultural traditions of the community around the location of his investment business activities and comply with and comply with all statutory provisions. The regulation is based on the principle of legal

certainty, the principle of sustainability, and the principle of environmental insight (Clarvis et al., 2014). These principles are the elaboration of philosophy to protect the entire nation and the whole of Indonesia's blood spill, where the philosophy is not stated clearly, firmly, and in detail and is not used as a basis for weighing in the Investment Law. The regulation shows that there is legal protection for the investment location and the indigenous people who are in the investment location. The regulation in relation to sustainable tourism investment in utilizing space and environment for its investment location in Bali, foreign investors are obliged to respect the cultural traditions of Balinese people who are Hindu and must obey all laws and regulations including the Provincial Regulations of Bali and Regency/City Regulations the location of the investment business Balinese people who are Hindu and have cultural traditions that are believed and implemented for generations in utilizing space and the environment are guided by the philosopher Tri Hita Karana. The Philosophical Tri Hita Karana has been outlined in several Regional Regulations of the Province of Bali and Regional Regulations/Cities in Bali, including: Regional Regulations of the Province of Bali Number 16 of 2009 concerning Spatial Planning for the Province of Bali in 2009-2029 (hereinafter referred to as Spatial Planning Bali), Bali Province Regional Regulation No. 8 of 2015 concerning Directives for Provincial System Zoning Regulations (hereinafter referred to as Provincial System Zoning Regulations), Bali Provincial Regulations Number 2 of 2012 concerning Cultural Tourism of Bali (hereinafter referred to as Local Regulations on Tourism) and Bali Provincial Regulations No.4 of 2019 concerning Customary Villages (hereinafter referred to as Perda Desa Adat).

Tri Hita Karana is the philosophy of life of the Balinese people who in principle regulates the existence of a harmonious relationship between humans and God, humans with fellow human beings, and humans with their environment which is a source of prosperity, peace, and happiness for human life. Tri Hita Karana as a philosophical concept of life for Balinese indigenous people who live, grow, and develop in each of the Adat/Pekraman Villages for generations has been believed and proven to exist to achieve community welfare in an atmosphere of peace, balance, and harmony of relations between humans with God, humans with fellow human beings, and humans with their environment / universe. Philosophis Tri Hita Karana which is used as a guide of life by the Balinese people in utilizing the function of space and the environment which is known as the traditional Balinese spatial planning concept.

The concept of Balinese traditional spatial planning based on the philosophical Tri Hita Karana as outlined and regulated in the Direction of the Provincial System Zoning Regulations regulates several concepts of traditional Balinese spatial arrangement, among others: Sacred areas are sacred areas and are sanctified by Hindus, among others: mountain areas, hills, lakes, springs, campuhan, sea, and beaches; Sacred area is an area in the sanctified sanctuary and must be safeguarded by its purity which is determined within a certain radius in accordance with the status of the Temple as stipulated in the Pura Bhisama Pura Purity Parisadha Hindu Dharma Indonesia Pusat (PHDIP) 1994; Dharmasala is a facility that functions as a religious support and other religious facilities such as: wantilan, holy kitchen, storage of ceremonial facilities, pecalang posts, bale message and other facilities.

The Pura is a religious norm established by the Sabha Pandita PHDI Center, as a guideline for carrying out Hindu teachings about the Pura sanctity area which is not explained in



full, clear, and detailed in the scriptures. The concept of Sad Kertih is six sources of prosperity that are believed by Hindus and must be preserved to achieve physical and mental happiness which consists of: atma kertih, wana kertih, danu kertih, immediately kertih, jana kertih, and the kertih. The Tri Mandala concept is a concept of the division of space, area and/or yard and is believed by Hindus to be divided into three levels, namely: the main mandala, madya mandala, and nista mandala. Based on the Tri Mandala concept, the utilization of space for investment locations including for sustainable tourism investment is usually in the middle of the mandala. The upstream-teben concept is a spatial orientation in a two-way position in an integrated whole that has the opposite value. The upstream-teben concept which is believed to have opposite values in the use of space for sustainable tourism investment locations is usually easier in the teben position. The concept of customary law community association in Bali known as Desa Adat/Pekraman Village is a customary law community unit in Bali that has a unity of tradition and social karma system based on some of the material and formal legal bases of laws and regulations related to sharia banking dispute resolution include Law No. 7/1992 concerning Banking, Banking Law No. 10/1998 concerning Amendments to Law No. 7/1992 concerning Banking, Law No. 21/2008 concerning Sharia Banking, Law No. 7/1989 concerning Religious Courts, Law No. 3/2006 concerning Amendments to Law No. 7/1989 concerning Religious Courts, Law No. 50/2009 concerning the Second Amendment to Law No. 3/2006 concerning Amendments to Law No. 7/1989 concerning Religious Courts, Law No. 30/1999 concerning Arbitration and Alternative Dispute Resolution, Bank Indonesia Regulation No. 8/5/PBI/2006 concerning Banking Mediation, Bank Indonesia Regulation No. 10/1/PBI/2008 concerning Amendments to Bank Indonesia Regulation No. 8/5/PBI/2006 concerning Banking Mediation, Regulation of the Supreme Court No. 2/2008 concerning Compilation of Sharia Economic Law.

Also, the legal basis was in the form of contract law, a fact that what happens was that most transactions between Islamic banks and their previous customers were preceded by the existence of a standard contract (aqad) provided by the bank concerned. Consequently, the provisions of the agreement law originating from Book III of the Indonesian Civil Code also applied to transactions in the world of Islamic banking. Then the legal basis was in the form of Islamic law, that all products or activities of a sharia bank are based on Islamic Law, so all activities carried out by sharia banks must not conflict with sharia principles of Islamic law, namely al-Qur'an, al-Hadith, Ijma 'and Qiyas as well as the Fatwa Sharia National Board of the Indonesian Ulema Council.

Licensing arrangements for the use of space including the use of space for sustainable tourism investment locations, in addition to being regulated in several Laws, including one of the Spatial Planning Laws, is also regulated in Government Regulation Number 15 of 2010 concerning Spatial Planning (hereinafter referred to as Spatial Planning PP). PP on Spatial Planning in the Concerns Given number 2 states that the PP as implementing regulations of Law Number 26 of 2007 concerning Spatial Planning (State Gazette of the Republic of Indonesia of 2007 Number 68, Supplement to the State Gazette of the Republic of Indonesia Number 4725). Article 2 in principle states that the arrangement of spatial planning is carried out to achieve its objectives, among others: realizing order in the implementation of spatial planning, ensuring legal certainty for all stakeholders in carrying out their duties and responsibilities as well as their

rights and obligations in the management of spatial planning, and realizing justice for all stakeholders in all aspects of spatial planning. The Provision Regional Government has authority in spatial planning arrangements for the preparation and stipulation of: provincial spatial plans, provincial strategic zoning plans, and directions for provincial system zoning regulations and stipulated by provincial regional regulations. Provisions regarding licensing, determination of the form and number of incentives and disincentives, administrative sanctions, and guidelines for the implementation of guidelines on spatial planning stipulated by governor regulations. The Regency/City Government in spatial planning arrangements has the authority to compile and determine: regency/city spatial plans (Regency/city RTRW), regency/city strategic spatial plans, regency/city spatial detail plans (regency/city RDTRs), including zoning regulations established by district / city regulations. Licensing provisions, the form and magnitude of incentives and disincentives, as well as administrative sanctions, and determined by regents / mayors' regulations. Article 5 in principle determines: The Government, Provincial Regional Government, and Regency / City Regional Government can stipulate other regulations in the field of spatial planning based on the authority possessed as regulated in the legislation. The Government, Provincial Governments, and Regency / Municipal Governments encourage the participation of the public in the preparation and stipulation of standards and technical criteria as the operationalization of laws and guidelines for spatial planning (Herr et al., 2021).

### **The Authority for the Regulation and Implementation of Corporate Social Responsibility Investing in Sustainable Ecotourism Development in Bali**

Formation of Legislation Regulations regulated in Law Number 12 of 2011 concerning Formation of Regulations that have been passed and promulgated on August 12, 2011 in (State Gazette of the Republic of Indonesia Number 82 of 2011) (hereinafter referred to as UUP3) (Zhu et al., 2013). Invitation is the process and procedure of making Regulations that cover the stages: Dalimunthe (2017) planning, drafting, discussion, ratification or stipulation, and enactment. Authority based on the source is divided into two, namely First, Original Authority is regulated in the basic rule called Attribution Authority (Ibrahim & Haykal, 2016). The second authority obtained because of the delegation. There are two authorities obtained because of the delegation, namely the first delegation authority and the second mandate authority.

Delegation authority, namely authority originating from delegation of authority from officials who have the authority of attribution to other officials who receive the delegation of such authority. Mandate authority is the authority obtained from the delegation of authority from superior officials to their subordinates. The principal difference between the delegation's authority and the mandate's authority lies in the legal responsibility of the transfer of responsibility to the delegation of authority from the delegation of authority to the recipient of delegation authority. Whereas in the Mandate Authority, the legal responsibility remains with the Acting Authority.

The House of Representatives holds the power to form laws, as regulated in the 1945 Constitution of the Republic of Indonesia, and the House of Representatives has a legislative function (Sutrisno, 2012). The Regional Representative Council can submit to the People's



Legislative Assembly the Draft Law whose material relates to regional autonomy, central and regional relations, the formation and expansion and merging of regions, management of natural resources and other economic resources, as well as those related to central financial balance and area (Rahman, 2004). The Regional Representative Council also discussed the Draft Law, the material of which relates to Putra, (2019), regional autonomy, central and regional relations, the formation, division and merging of regions, management of natural and other economic resources, and the balance of central and regional finances; as well as giving consideration to the House of Representatives on the state budget and revenue bill and the draft law which relates to tax, education and religion (Sadar et al., 2019).

Government Regulations are defined as Legislative Regulations established by the President to carry out the Act accordingly. Planning for the preparation of Government Regulations as regulated in Article 25 is coordinated by the minister who carries out government affairs in the field of law. Planning for the preparation of Government Regulations as regulated in paragraph (1) shall be determined by Presidential Decree. The draft Government Regulation may originate from ministries and/or non-ministerial government institutions in accordance with their fields of work. Based on his authority the official in the formation of Government Regulations is the President (Wahid, 2016).

Provincial Regional Regulations are defined as Legislation Regulations established by the Provincial Regional House of Representatives with the joint agreement of the Governor. Planning for the preparation of Provincial Regulations must be carried out in Provincial Prolegda. The Regional Legislation Program, hereinafter referred to as Prolegda, is an instrument for planning programs for the establishment of Provincial Regulations or Regency / City Regulations that are prepared in a planned, integrated, and systematic manner. The implementation of the Provincial Prolegda is carried out by the Provincial Regional House of Representatives and the Provincial Government (Maziyah & Nugraha, 2020).

The Regional Regulation (PERDA) is not a law. Regional Regulation (PERDA) is a form of pseudo legislation, which does not create law, but is implementing the law. The Regional House of Representatives together with the Regional Head is a pseudo legislative body. The Regional House of Representatives cannot create laws, but only implement laws. The Regional House of Representatives in implementing the authority to form regional regulations must obey the limitations set forth in the 1945 Constitution and the Constitution of the Republic of Indonesia. The Regional Regulation must not conflict with the 1945 Constitution and the Constitution of the Republic of Indonesia. The law that creates the law results in null and void law.

The concept of Corporate Social Responsibility (CSR) can be viewed from various aspects, ideological, ethical, economic, ecological, and political. In terms of ideology, CSR is a product of creative capitalist ideology (Philanthrocapitalism). In terms of ethics, CSR is a form of corporate moral responsibility towards the business environment. In terms of economics and ecology, CSR is an effort to maintain business sustainability by maintaining the sustainability of business environment functions. From a political perspective, CSR is a sharing of the burden of the government in controlling and overcoming damage to the business environment from the consequences of business activities. The whole point of view boils down to one view of the

position and function of CSR as a corporate instrument for maintaining the business environment in the context of business sustainability.

Discourse about the nature or principles of implementing CSR, willingness or coercion, continues in Indonesia. Law Number 25 of 2007 concerning Investment, in Article 15 letter b, State Gazette of the Republic of Indonesia of 2007 Number 67, Supplement to the State Gazette of the Republic of Indonesia Number 4724 (hereinafter: Investment Law) and Law Number 40 of 2007 concerning the Company Limited to Article 74 paragraph (2), State Gazette of the Republic of Indonesia of 2007 Number 106, Supplement to the State Gazette of the Republic of Indonesia Number 4756 (hereinafter: UUPT), expressly determines that CSR is a must, while the international community places CSR under the principle of willingness.

Currently in Bali, especially in Denpasar and Badung the construction of hotels, villas, guesthouse and residential buildings and shops is so fast (Putra, 2020). This development has led to a reduction in green open land. This development also reduces the number of trees because they are cut down for development. Due to the reduction in green open land and the increasing number of trees that have to be cut down for building construction will also reduce the amount of water discharge. To maintain the availability of sufficient underground water, action is needed in the form of planting reforestation trees, limiting building area, and making water wells around existing buildings. All of that should be contained in the provisions of the Regional Regulation wrapped up as part of the obligation to carry out corporate social responsibility.

Planting of Green Trees should be regulated or stated in the provisions of the Regional Regulation that requires each investment permit determined to determine the number of trees to be planted by comparing the area of land used with the number of trees to be planted. With the obligation to plant this tree will maintain the number of existing trees and maintain the availability of underground water. Of course, the government must prepare the land that will be planted by trees by investors.

Limitation of Building Area to be built on owned land as one of the conditions that must be met and contained in the drawing of the building to be built. Building construction on a land to be built should be stipulated in a Regional Regulation requiring a minimum of 20% to become green open land.

Making Water Absorption Well will help the absorption of water over the ground or rain water into the ground and not wasted flowing directly into rivers and the sea. This infiltration well can be made deliberately at the time of building construction or by leaving green open land covering an area of 20% of the area of the building built by planting trees or grass or not cemented.

## CONCLUSIONS

Investment Licensing Arrangements in Sustainable Ecotourism Development in Indonesia are contained in the Investment Law and the Spatial Planning Law. For more technical implementation, it is regulated in a Regional Regulation which is pseudo legislation.

The Authority of the Arrangement and Implementation of Corporate Social Responsibility that invests in Sustainable Ecotourism Development is coordinated by the Regent

and Mayor. The Arrangement and Implementation of Corporate Social Responsibility is a further implementation of the Investment Law and the Limited Liability Company Law.

It is recommended that every arrangement and implementation of corporate social responsibility if it is to be contained in a Regional Regulation must first be stated in the Law. Regional Regulations are not the same position and function as the Law, because the Regional Regulation is only pseudo legislation and may not create laws, only implement the Act.

Underground water needs to be maintained; therefore, all parties must try to take actions that can increase the amount of underground water. The regulation of the obligation to carry out corporate social responsibility can be set forth in the licensing requirements to construct buildings financed by the Company established by the Investor.

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